Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 10202 061331Z
ACTION STR-07

INFO OCT-01 EA-10 IO-13 ISO-00 STRE-00 AF-10 ARA-10
EUR-12 NEA-10 OIC-02 JUSE-00 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00
AID-05 SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02
OMB-01 DOE-15 DOEE-00 /168 W
----------031351 061348Z /44
P 061314Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 1692
INFO AMEMBASSY SEOUL

LIMITED OFFICIAL USE GENEVA 10202

USMTN

ACTION STR
PASS STR ELECTRONICALLY
STR PASS CODEL

EO 11652: N/A
TAGS: ETRD, GATT, MTN
SUBJECT: US/KOREAN BILATERAL, JULY 5

1. US DEL (MOORE, MALISH, MIMS) MET WITH KOREAN DEL (LEE, KWON, AND HUH) TO DISCUSS REVISED US OFFER AND KOREAN OFFER. KOREAN DEL (LEE) INDICATED THAT DETAILED INFORMATION ON KOREA'S MAY 1 IMPORT RESTRICTION LIBERALIZATION AND FUTURE LIBERALIZATION PLANS WOULD REACH GENEVA IN SEVERAL DAYS. LEE SAID THAT THESE MEASURES WILL REMOVE HUNDREDS OF ITEMS FROM KOREA'S IMPORT RESTRICTIVE LIST. HE SAID THAT THIS IS EVIDENCE OF KOREA'S LONG-TERM VIEW THAT ITS PROJECTED GROWTH RATES FOR NEXT DECADE WILL REQUIRE SUBSTANTIAL IMPORT LIBERALIZATION.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 10202 061331Z

2. WHEN QUESTIONED ABOUT POSSIBILITIES OF TARIFF LIBERALIZATION, LEE RESPONDED THAT SUCH LIBERALIZATION WOULD OCCUR, BUT ITS IMPLEMENTATION IS STILL UNDECIDED. HE CITED THE TEMPORARY OR FLEXIBLE TARIFF PROCEDURES AS WELL AS TARIFF EXEMPTIONS FOR KEY SECTORS AS PROVIDING POSSIBILITIES FOR TARIFF REDUCTIONS. US DEL RESPONDED

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

THAT, WHILE SUCH REDUCTIONS WOULD BE OF SHORT-RUN BENEFIT TO US EXPORTERS, US WOULD NOT BE PREPARED TO GIVE MUCH CREDIT IN MTN CONTEXT UNLESS LOWER TEMPORARY RATES WERE ALSO ACCOMPANIED BY SUBSTANTIAL REDUCTIONS AND BINDING OF STATUTORY RATES. WE STRONGLY URGED KOREAN DEL TO FORMALIZE ITS LIBERALIZATION MEASURES IN SUCH A WAY THAT THE US COULD GIVE MTN NEGOTIATING CREDIT FOR LIBERALIZATION MEASURES. LEE STATED THAT SEOUL WAS STUDYING THE US INDICATIVE LIST OF TARIFF REDUCTION REQUESTS AND WOULD MAKE A RESPONSE DURING THE MONTH OF JULY. US DEL EMPHASIZED IMPORTANCE OF RECEIVING A FIRM OFFER BEFORE JULY 15 AND POINTED OUT THAT SUCH AN OFFER WOULD BE NEEDED FOR FULL CONSIDERATION OF KOREA'S REQUESTS FOR IMPROVEMENT AND WOULD ASSIST IN REDUCING LIKELIHOOD OF US WITHDRAWALS ON ITEMS OF INTEREST TO KOREA. WE HINTED THAT WITH AN OFFICIAL OFFER OR RESPONSE TO US INDICATIVE LISTS THE US AND ROK COULD THEN ENGAGE IN MORE SPECIFIC PRODUCT-BY-PRODUCT NEGOTIATIONS. US DEL GAVE A REALISTIC APPRAISAL OF DIM PROSPECTS FOR IMPROVEMENTS IN US TEXTILE OFFER BY CITING RECENT CONGRESSIONAL ACTIONS WHICH COULD MAKE TEXTILE ITEMS COVERED BY MFA MANDATORY EXCEPTIONS.

3. US DEL EXPLAINED IN DETAIL US REVISED OFFER OF JUNE 19 AND PROVIDED KOREAN DEL WITH THE OFFICIAL NOMENCLATURE USED FOR THE ASP OFFER. US DEL ALSO REVIEWED NEW AGRICULTURAL OFFERS IN JUNE 19 REVISION WHICH RESPONDED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 10202 061331Z

TO KOREAN REQUESTS. DELS AGREED TO MEET AGAIN AS SOON AS DETAILS OF MTN LIBERALIZATIONS ARE RECEIVED BY KOREAN DEL.

4. COMMENT: IN CONTRAST TO EARLIER MEETINGS, KOREAN DEL APPEARED UNSURE AND RELUCTANT TO ENGAGE IN SUBSTANTIVE DISCUSSIONS. IN US DEL'S VIEW, THIS ATTITUDE PROBABLY DUE TO ABSENCE OF INSTRUCTIONS AND INFORMATION WHICH KOREAN DEL REQUESTED LAST WEEK FROM SEOUL RATHER THAN A COOLING OF ARDOR. BOTH LEE AND KWON WERE WILLING TO GO ON AT LENGTH ABOUT KOREA'S LIBERALIZATION PLANS, AND KWON PROVIDED A CHART SHOWING DECREASES IN KOREA'S AVERAGE TARIFF RATES. HOWEVER, WHEN WE SHIFTED FOCUS TO INCORPORATING LIBERALIZATION MEASURES IN AN MTN AGREEMENT, THEY SHIED AWAY, PLEADING "LACK OF INSTRUCTIONS."

5. DRAFTED BY MOORE/MALISH. MCDONALD

LIMITED OFFICIAL USE

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

NNN

Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 06 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA10202
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780277-0486
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780792/aaaaczfx.tel
Line Count: 110
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4779827a-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2107626
Secure: OPEN
Status: NATIVE
Subject: US/KOREAN BILATERAL, JULY 5
TAGS: ETRD, US, KS, GATT, MTN
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/4779827a-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014